



TOWN OF LIVONIA  
POINTE COUPEE PARISH, LOUISIANA  
P. O. BOX 507  
LIVONIA, LA 70755  
(225) 637-2981

MAYOR  
Ronald Scalfes

COUNCIL

Ronald Barlow - Street Commissioner  
James Bergeron, Jr. - Grass Commissioner  
Kevin Bergeron - Water/Collection Commissioner  
Troy Choate - Gas/Beneficiation Commissioner  
Kurt Janssen - Drainage Commissioner

*(Term of Mayor & Council is from January 1, 2007 to December 31, 2008)*

LEGAL COUNSEL  
Stephen Martonovics

TOWN CLERK  
Deanna Bergeron

CHIEF OF POLICE  
Brad Johnson

MEETING DATE

2nd Tuesday of Every Month  
7:00 PM - Town Hall

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# *George F. Delaune*

**CERTIFIED PUBLIC ACCOUNTANT  
(A Professional Corporation)**

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## **INDEPENDENT AUDITOR'S REPORT**

**The Honorable Ronald Scallan, Mayor  
and Members of the Town Council  
Town of Uronia, Louisiana**

I have audited the accompanying general purpose financial statements of the **TOWN OF URONIA, LOUISIANA**, as of and for the year ended December 31, 2001, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Town of Uronia, Louisiana's management. My responsibility is to express an opinion on these general purpose financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and with provisions of Louisiana Revised Statute 24:513 and the provisions of the *Louisiana Government Audit Guide*, published jointly by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. Those standards and the Guide require that I plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred above present fairly, in all material respects, the financial position of the Town of Uronia, Louisiana, as of December 31, 2001, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated June 21, 2002, on my consideration of the Town of Uronia, Louisiana's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with

*Governor's Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

My audit was performed for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying financial information listed as Supplemental Information in the table of contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in my opinion, is fairly stated in all material respects, in relation to the general purpose financial statements taken as a whole.

*George F. Delaney, CPA*

June 11, 2002

**TOWNS OF LINGUIA, LOUISIANA**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**DECEMBER 31, 2000**  
(With Comparative Total for December 31, 1999)

	<u>Governmental Fund Types</u>		<u>Proprietary Fund Type</u>	<u>Amount</u>	
	<u>General</u>	<u>Special</u>		<u>General</u>	<u>Special</u>
<b>ASSETS</b>					
Cash and investments	\$ 384,034	\$ 473,654	\$ 78,403		\$ 836,091
Receivables -					
Taxes and utilities	25,086				25,086
Tolls - franchise	9,060				9,060
Utility billings and unbilled			46,346		46,346
Due from other governmental units -					
Louisiana - Year 2000	804				804
Louisiana - video poker		12,989			12,989
Louisiana - public safety		2,946			2,946
Due from other funds -					
Public utilities	5,156	46,346			51,502
Prepaid expenses			2,860		2,860
Restricted assets -					
Consumer money deposits			18,465		18,465
Property, plant and equipment -					
in cost			2,580,586	\$ 254,182	2,834,768
accumulated depreciation			(151,243)		(151,243)
<b>TOTAL ASSETS</b>	<b>\$ 422,420</b>	<b>\$ 532,451</b>	<b>\$ 1,041,207</b>	<b>\$ 254,182</b>	<b>\$ 2,729,355</b>





**TOWN OF LIFORNIA, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**

	General	Special Revenues	Totals Monocashdom Only
<b>Revenues:</b>			
Taxes	\$ 65,858	\$ 375,985	\$ 441,843
Licenses and permits	48,515		48,515
Intergovernmental revenues	18,812		18,812
Fees and forfeitures	328,872		328,872
Miscellaneous revenues	<u>34,819</u>	<u>28,845</u>	<u>63,664</u>
Total Revenues	<u>498,074</u>	<u>404,830</u>	<u>902,904</u>
<b>Expenditures:</b>			
Current -			
General government	96,428	2,679	99,107
Public safety	251,597		251,597
Streets and drainage	87,962		87,962
Capital outlays -			
General government	887		887
Public safety	36,947		36,947
Streets and drainage	<u>9,587</u>		<u>9,587</u>
Total Expenditures	<u>453,101</u>	<u>2,679</u>	<u>455,780</u>
<b>Excess Revenues (Expenditures)</b>	<b>(2,524)</b>	<b>39,161</b>	<b>36,637</b>
<b>Other Financing Sources (Uses):</b>			
Operating transfers in			
Operating transfers out	<u>(118,817)</u>	<u>(258,969)</u>	<u>(377,786)</u>
<b>Excess Revenues and Other Sources (Expenditures and Other Uses)</b>	<b>(121,341)</b>	<b>(219,808)</b>	<b>(341,149)</b>
Fund Balance - January 1	<u>480,415</u>	<u>476,864</u>	<u>957,279</u>
<b>FUND BALANCE - DECEMBER 31</b>	<b><u>\$ 359,074</u></b>	<b><u>\$ 257,056</u></b>	<b><u>\$ 616,130</u></b>

The accompanying notes are an integral part of this statement.

**TABLE 10  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, PER CHARGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GRANT BASIS - GENERAL AND SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2001**

Revenue	General Fund		Various Revenue (Indefinite)		Special Revenue Funds		Various Revenue (Indefinite)
	Budget	Actual	Budget	Actual	Budget	Actual	
Taxes	\$ 70,450	\$ 67,800	\$ 12,000	\$ 119,000	\$ 177,000	\$ 179,000	\$ 1,2440
License and permits	40,000	49,410	1,400				
Intergovernmental revenue	50,000	14,810	10,000	49,000	49,000	49,000	1,700
Fees and balances	50,000	500,870	17,000				
Modifications revenue	11,110	54,610	1,500	20,700	20,700	20,700	1,100
Total Revenue	161,560	682,490	31,900	260,000	266,700	268,700	4,040
<b>Expenditures</b>							
Current:							
General government	14,000	16,400	1,000	2,700	2,700	2,700	80
Public safety	241,100	262,000	8,700				
Street and drainage	100,000	97,500	2,000				
Capital outlay -							
General government	400	400					
Public safety	50,000	50,000	1,000				
Street and drainage	1,000	1,000	1				
Total Expenditures	256,500	467,300	12,700	2,700	2,700	2,700	80
Excess (shortage) (Expenditure)	(94,940)	(214,810)	(18,800)	257,300	264,000	266,000	1,000
<b>Other financing (Source) (Use)</b>							
Operating transfer in						140,000	
Operating transfer out	(170,000)	(170,000)			(170,000)	(170,000)	
Excess (shortage) and Other Source (Expenditure) and Other (Use)	(170,000)	(170,000)		257,300	94,000	96,000	1,000
Fund Balance - (Source) 1	400,000	400,000				470,000	
Fund Balance - (Source) 11	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000

**TOWN OF LYONIA, ILLINOIS**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**BUDGET AND ACTUAL (GAAP BASIS - PROPRIETARY FUND TYPE)**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(With Comparative Actual for December 31, 2000)**

	Dollars			
	2001		2000	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
<b>Operating Revenues</b>				
Charges for services:				
Natural gas utilities	\$ 140,000	\$ 186,411	\$ 46,411	\$ 140,000
Water sales	155,000	156,000	1,000	155,000
Penalty charges	0,000	4,441	4,441	0,000
Billing and collection fees	0,000	4,500	4,500	10,700
Miscellaneous revenues	0,000	0,000	0,000	0,000
<b>Total Operating Revenues</b>	<u>295,000</u>	<u>341,354</u>	<u>45,951</u>	<u>305,700</u>
<b>Operating Expenses</b>				
Natural gas expenses	168,700	141,500	27,200	169,110
Water expenses	55,500	54,700	800	55,400
General and administrative	126,750	145,411	18,661	126,290
<b>Total Operating Expenses</b>	<u>351,000</u>	<u>341,611</u>	<u>9,389</u>	<u>350,800</u>
<b>Operating Sur</b>	<u>53,975</u>	<u>99,743</u>	<u>45,768</u>	<u>54,900</u>
<b>Non-operating Revenues (Expenses)</b>				
Interest earned	0,000	4,470	4,470	1,114
Bad debts recovered	0,000	0,000	0,000	80
Miscellaneous revenues	0,000	400	400	111
Miscellaneous expenses	40,000	40,000	0,000	0,000
<b>Total Non-Operating Revenues (Expenses)</b>	<u>40,000</u>	<u>44,870</u>	<u>4,870</u>	<u>1,305</u>
<b>Net Non-Operating Transfers</b>	<u>0,000</u>	<u>0,000</u>	<u>0,000</u>	<u>0,000</u>
<b>Other Financing Sources:</b>				
Operating surplus to us	168,600	168,600	0,000	0,000
<b>Total Other Financing Sources</b>	<u>168,600</u>	<u>168,600</u>	<u>0,000</u>	<u>0,000</u>
<b>Net Income</b>	<u>222,575</u>	<u>204,313</u>	<u>18,262</u>	<u>201,115</u>
Less contributed capital	<u>(250,000)</u>	<u>(250,000)</u>	<u>0,000</u>	<u>0,000</u>
<b>Increase in Retained Earnings</b>	<u>22,575</u>	<u>54,313</u>	<u>31,738</u>	<u>51,115</u>
<b>Retained Earnings - January 1</b>	<u>250,000</u>	<u>250,000</u>	<u>0,000</u>	<u>250,000</u>
<b>RETAINED EARNINGS - DECEMBER 31</b>	<u>\$ 272,575</u>	<u>\$ 304,313</u>	<u>\$ 31,738</u>	<u>\$ 301,115</u>

The accompanying notes are an integral part of this statement.

**TOWN OF LIVINGSTON, LOUISIANA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
**(With Comparative Actual for December 31, 2000)**

	<u>Encapsulate</u>	
	<u>2001</u>	<u>2000</u>
<b>Cash Flows from Operating Activities:</b>		
Operating loss	\$ 23,395	\$ 3,395
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	25,087	25,086
Other non-operating revenues	497	245
Changes in assets and liabilities:		
Decrease (increase) in receivables	3,581	(21,752)
Decrease (increase) in prepaid insurance	(561)	(346)
Decrease (increase) in restricted assets	(761)	45,875
Increase (decrease) in accounts payable	44,569	36,899
Increase (decrease) in due to other governmental units	(2,998)	(477)
Increase (decrease) in due to other funds	47,693	
Increase (decrease) in resource water deposit liability	(5,799)	(715)
	<u>245,292</u>	<u>86,824</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>		
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition of capital assets	(803,588)	(83,248)
Contributions from other funds for construction	758,644	44,352
Contributions from other governments for restoration	48,080	
	<u>(29,664)</u>	<u>(38,896)</u>
<b>Net Cash (Used for) Capital and Related Financing Activities</b>		
<b>Cash Flows from Investing Activities:</b>		
Interest on investments	4,675	7,114
	<u>4,675</u>	<u>7,114</u>
<b>Net Cash Provided by Investing Activities</b>		
<b>Net Decrease in Cash and Cash Equivalents</b>	(12,978)	34,860
Cash and Cash Equivalents at January 1	<u>151,412</u>	<u>85,551</u>
<b>CASH AND CASH EQUIVALENTS AT DECEMBER 31</b>	<u>\$ 78,435</u>	<u>\$ 151,412</u>

The accompanying notes are an integral part of this statement.

**TOWN OF LEBONA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2001**

**NOTE 1 - INTRODUCTION**

The Town of Lebona, Louisiana (the "Town") was incorporated in 1969, under the provision of the "Tavernier Act" [Louisiana Revised Statutes (RS) 53:511-581] of the constitution of the State of Louisiana. The Town is located in the Parish of Polk and has a population of 1136. The Town operates under a Mayor-Board of Aldermen Council form of government and, as permitted under the act, provides police protection, roads and streets, sponsorship of federal and state supported programs, gas and water utilities, and other necessary public services.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Base of Presentation***

The accompanying financial statements of the Town of Lebona have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

***Reporting Entity***

As the municipal governing authority, for reporting purposes, the Town of Lebona is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary municipal government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Lebona for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. Such has set forth criteria to be considered in determining financial accountability. This criteria include:

1. Appointing a voting majority of an organization's governing body, and
  - a. The ability of the municipality to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits or to impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are directly dependent on the municipality.
3. Organizations for which the reporting entity's financial statements would be misleading if that of the organization were not included because of the nature or significance of the relationship.

As required by generally accepted accounting principles, these financial statements present the Town of Lebona. Based on the criteria of GASB Statement No. 14, there are no component units to be included other than included within the Town's funds or directly presented in these financial statements.

***Other Organizations***

The municipality may appoint some, or all, governing board members of organizations that are not included as component units in the primary government's reporting entity. These organizations are classified as (a) school

**TOWN OF LIVONIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2011**

organizations, (b) joint ventures and jointly governed organizations, and (c) component units of another government with characteristics of a joint venture or jointly governed organization.

Considered in the determination of component units of the reporting entity were the Police Coopers Parish Police Jury, Merrill, Clerk of Court, Assessor, and School Board and the District Attorney and Judges for the 11th Judicial District. It was determined that these governmental entities are not component units of the Town of Livonia reporting entity because they have separately elected governing bodies, are legally separate, and are financially independent of the Town of Livonia.

also, excluded from the reporting entity:

*First Protection District No. 4 of the Parish of Polk and Coopers, Louisiana*

This potential component unit has a separate board appointed jointly by the each governmental governing bodies. It provides services to residents, within the geographic boundaries of the government and other areas adjacent to it. This unit is excluded from the reporting entity because the government does not have the ability to exercise influence or control over its daily operations, approve budgets or provide funding.

**Fund Accounting**

The municipality uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by grouping transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not restricted to the funds because they do not directly affect net expendable available financial resources.

Governmental accounts are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements in this report as follows:

**Governmental Fund**

Governmental funds are used to account for all or most of the municipality's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or maintenance of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

***General Fund***—the principal operating fund of the Town. It is used to account for all financial resources, except those required to be accounted for in another fund.

***Special revenue funds***—account for the proceeds of specific revenue sources that are legally restricted to expenditures or for which the Council has designated for specified purposes.

**Proprietary Fund Type**

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful in asset financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement which, together with the maintenance of equity, is an important financial indicator. Proprietary funds include:

***Public Utility Enterprise Fund***—which accounts for the operations of the natural gas and wastewater system. The intent of the Town for these facilities is that the periodic determination of revenues

**TOWN OF LYNCH, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

rental, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Activities accounted for in the Town's proprietary fund follow all applicable GASB pronouncements as well as applicable Financial Accounting Standards Board pronouncements issued on or before November 30, 1989.

***Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included in the funds on the balance sheet with long-term assets and liabilities reported in the account groups. Operating statements for these funds present increases (revenues and other financial sources) and decreases (expenditures and other uses) in net current assets.

Governmental funds are maintained on the modified accrual basis of accounting wherein revenues are recognized in the accounting period in which they become available and measurable. The governmental funds use the following practices in recording revenues and expenditures:

***Revenues***

1. All revenues taxes and related state revenue sharing are recorded in the year the taxes are due and payable. All revenues taxes are assessed on a calendar year basis and such as an enforceable lien and become due and payable on the day the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1925 requires that the tax roll be filed on or before November 15 of each year. All revenues taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.
2. Sales and use tax revenues are recorded in the months they are received by the parish tax collector.
3. Federal and state grants and reimbursements are recorded when the Town is entitled to the funds.
4. Fines, delinquency, and court costs are recorded in the year they are received by the Town or parish tax collector.
5. Fees, charges and reimbursements are recognized as received in the month in which they are earned and billed.
6. Substantially all other revenues are recorded when received by the Town.

***Expenditures***

Expenditures are recognized under the modified accrual basis of accounting, when the actual fiscal liability is incurred.

***Other Financing Sources (Uses)***

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses) and are recorded when the actual transfer occurs.

Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of the fund are included on the balance sheet.

**TOWN OF LIVONIA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2001**

Fund equity (net total assets) is segregated into contributed capital and retained earnings components. The operating statement for the enterprise fund presents income (revenue) and disbursements (expenses) in net total assets. The Public Utility Enterprise Fund is maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and income measurable, and expenses are recognized in the period incurred, if measurable.

**Budget Practices**

A proposed operating budget for the fiscal year, prepared on GAAP basis, is approved by the Board of Aldermen and adopted in accordance with the Local Government Budget Law. The operating budget includes proposed expenditures and the means of financing them.

During the year, monthly budgetary comparison statements are used as management tools to control operations. When necessary the Board adopts budget amendments which are included in minutes published in the official journal.

The Board exercises budgetary control at the line item level. Unexpended appropriations lapse at the year end and must be reappropriated in the next year's proposed budget to be expended.

**Encumbrances**

The Town does not use encumbrance accounting.

**Cash and Cash Equivalents**

Cash includes amounts in demand deposits and interest-bearing demand deposits. Under state law, the Town may deposit funds in demand deposits, interest-bearing demand deposits, and money market or time deposit accounts with state banks organized under Louisiana laws and national banks having their principal offices in Louisiana.

Under state law, the Town may also invest in United States bonds, treasury notes and bills, or certificates. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool Inc. (LAMP), a nonprofit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. Those with maturities of 90 days or less would be classified as cash equivalents and all others reported as investments.

**Receivables and Bad Debt**

The Town uses the direct charge-off method whereby uncollectible amounts due from all various taxes are recognized as bad debts as the time information becomes available which would indicate the uncollectibility of the particular receivable. The direct charge-off method is used because it does not create a material difference from GAAP and it approximates the valuation method.

**Short-Term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered and temporary loans. These interfund interfund loans are classified as interfund receivables/payables and classified as due from or due to other funds on the balance sheet.

**Inventory**

Inventory for supplies are immaterial and are recorded as expenditures when purchased.



**TOWN OF LIVINGSTON, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

**General Fixed Assets**

Fixed assets of governmental funds are recorded as expenditures at the time purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domains or infrastructure (general fund assets) consisting of certain improvements other than building, including, roads, streets, drainage systems, and lighting systems) are not capitalized with other fixed assets. Incentive cost incurred during construction are capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, or estimated cost if historical cost is not available. Repairs and maintenance are recorded as expenditures; renewals and betterments are capitalized.

**Property, Plant and Equipment - Proprietary Fund**

Fixed assets used in the Public Utilities Enterprise Fund operations are included on the balance sheet net of accumulated depreciation. Additions to the utility plant in service are recorded at cost or, if constructed property, at their estimated fair value at time of construction. Interest and other financing costs incurred during construction, if any, are capitalized. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of fixed assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation is charged as an expense against operations. Depreciation is computed using the straight-line method with estimated useful lives as follows:

Buildings	20 Years
Natural Gas Systems	20 Years
Water Systems	5 - 50 Years
Vehicles	5 Years
Furniture and Equipment	5 Years

Contributed capital included in the Public Utilities Enterprise Fund to account for contribution of capital assets from other governments, private developers, and others and to recognize grants and other contributed funds dedicated and restricted to the acquisition or construction of capital assets.

**Compensated Absence**

Accumulated unpaid vacation and sick leave is accrued when incurred in proprietary funds. The amount of accumulated vacation and sick leave accrued in the governmental funds is that amount, adjusted to current salary rates, which is expected to be liquidated with expendable available financial resources. Only the current portion is reflected in the funds. The remainder of the liability is reported in the General Long-Term Debt Account Group. The guidelines of Financial Accounting Standards Board Statement (FASB) No. 45 "Accounting for Compensated Absences" were applied in determining the liability for both governmental and proprietary funds.

**Fund Equity**

**Contributed Capital**

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds when such resources are restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources. This depreciation is charged to the non-amortized capital account and is reflected as an adjustment to net income.

**TOWN OF LINGUA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

**Reserves**

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

**Unreserved Retained Earnings**

Unreserved retained earnings for proprietary funds represent the net assets available for future operations or distributions.

**Designated Fund Balances**

Designated fund balances represent tentative plans for future use of financial resources.

**Unreserved Undesignated Fund Balances**

The unreserved/undesignated fund balances for governmental funds represent the amounts available for budgeting future operations.

**Interfund Transactions**

All interfund transfers are reported as operating transfers.

**Comparative Data**

Comparative prior data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, complete comparative data (i.e., presentation of prior year totals by fund type in each of the statements) have not been presented since their inclusion would make the statements unduly complex and difficult to read.

**Total Columns on Combined Statements**

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 3 - CASH**

At December 31, 2001, the status of deposited funds and collateralized balances are as follows:

	Balance per Bank Statement	Received by FDIC	Pledged Collateral	Unsecured Uncollateralized
Deposited Accounts:				
Operating Funds	\$ 150,815	\$ 200,000	\$ 260,850	\$ 0

These deposits are insured at 100%, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the

**TOWN OF LIVINGSTON, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually agreeable to both parties.

Even though the pledged securities are considered uncollateralized (Category 5) under the provisions of GASB Statement No. 3, Louisiana Revised Statute 38:1219 imposes a statutory requirement on the custodial bank to intervene and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand.

**NOTE 4 - INVESTMENTS**

Investments held at December 31, 2001, include \$716,103 in the Louisiana Asset Management Fund Inc. (LAMP), a local government investment pool (see Summary of Significant Accounting Policies). In accordance with GASB Codification Section 190-119, the investment in LAMP at December 31, 2001, is not categorized in the three risk categories provided by GASB Codification Section 190-104 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a not-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasury in 1995. The corporation is governed by a board of directors comprising the State Treasurer, representatives from various organizations of local governments, the Government Finance Officers Association of Louisiana, and the Society of Louisiana CPAs. Only local governments having volunteered to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government or one of its agencies, corporations, or institutions, as well as repurchase agreements collateralized by those securities. The dollar-weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 297 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

**NOTE 5 - CHANGES IN FIXED ASSETS**

A summary of changes in general fixed assets follows:

	1-1-2000	Additions	Deletions	12-31-2001
Land	\$ 6,237			\$ 6,237
Buildings and improvements	151,219			151,219
Furniture and equipment	85,288	\$ 11,218		96,506
Vehicles	71,912	46,978	\$ (14,944)	71,986
Tractors and equipment	57,132	9,892		67,024
<b>Totals</b>	<b>\$ 371,786</b>	<b>\$ 67,988</b>	<b>\$ (14,944)</b>	<b>\$ 424,830</b>

**TOWN OF LYBONIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

A summary of changes in proprietary fund type property, plant and equipment follows:

	12-31-2001	Additions	Deletions	12-31-2001
Land	\$ 5,800			\$ 5,800
Buildings	30,346			30,346
Natural gas systems	105,521			105,521
Water systems	506,554	\$ 580,657		1,087,208
Vehicles	14,515	39,208		53,715
Tractors and equipment	48,114	5,878		53,992
Office equipment & furniture	13,328	1,346	\$ (13,543)	2,715
	708,265	\$ 627,089	\$ (13,543)	1,321,805
Less accumulated depreciation	(166,977)	\$ (23,806)	\$ (13,543)	(191,243)
	<u>\$ 541,288</u>			<u>\$ 1,130,562</u>

**NOTE 6 - AD VALOREM TAXES**

All taxable property located within the State of Louisiana is subject by law to taxation on the basis of its assessed valuation. The assessed value is determined by the Parish Assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1874 Louisiana Constitution provided that, beginning in 1878, all land and residential property were to be assessed at 10% of fair market value; agricultural, institutional, church lands, Indian lands and certain historic buildings are to be assessed at 10% of "use" value; and all other property is to be assessed at 10% of fair market value. Fair market values are determined by the elected assessors of the parish and are subject to review and final confirmation by the Louisiana Tax Commission. The Assessor is required to reappraise all property every four years.

The Sheriff of Police Couper Patis, as provided by State law, is the official tax collector of general property taxes levied by the Town. All taxes are due by December 31 of the year and are delinquent on January 1 of the next year, which is also the lien date.

State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If the 2001 taxes are not paid by the due date of December 31st, the taxes bear interest at 3.25% per month until the taxes are paid. After notice is given to the delinquent taxpayer, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to satisfy the taxes and interest owed.

Property taxes are recognized as revenue in the year for which they are levied and become due. The majority of the year's taxes are collected from November to February by the Sheriff. Any amounts not collected in December May are shown as accounts receivable.

Ad valorem taxes as presented in these financial statements are as follows:

Fund	Millage	Property Assessed Valuations	Taxes Assessed For	
			General Purpose	Debt Service
General Fund	5.51	\$ 4,588,850	\$ 25,585	

**TOWN OF LIVONIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2000**

**NOTE 7 - SALES TAX DEDICATION**

Proceeds of a TE sales and use tax levied by the Town, after administrative and collection costs, can be spent for any and all lawful purposes.

**NOTE 8 - NATURAL GAS SERVICE AGREEMENT**

On July 20, 1997, the Town entered into a fixed-price contract with the Louisiana Municipal Gas Purchasing Authority, effective January 1, 1999 for a period of ten months at a total delivered price. Subsequent contracts will be for a twelve month period beginning November 1<sup>st</sup>. The price will be based upon a 12-month average MSBHC strip price plus supplied margin, transportation, and fees.

**NOTE 9 - UTILITY SERVICE AGREEMENT**

An agreement between the Solid Waste Disposal System of the Parish of Pointe Coupee and the Town of Livonia provides for the billing of customers on the Town's system. This billing agreement went into effect for the month of October 1995. Under the terms of the agreement, the Town retains a 4.75 per centum as a billing fee. The amount owed to the Solid Waste Disposal System as of December 31, 2000 is \$9,937.

**NOTE 10 - CENTRALIZED COLLECTION AGENCY AGREEMENT**

In accordance with Paragraph (B)(1) of Section 5 of Article VII of the Constitution of the State of Louisiana, the Town entered into an agreement on May 20, 1992 with all of the sales and use taxing authorities of the Parish of Pointe Coupee designating the Sales Tax Department of the Pointe Coupee Parish Police Jury as the single tax collection entity. The agreement is effective as of July 1, 1992, the agreement authorizes the Town to compensate the collection agency 1.25% of the gross amounts collected.

**NOTE 11 - FRANCHISE AGREEMENTS**

The Town has granted three franchises:

**Cable Television**

A non-exclusive cable television franchise was granted to Green's Incorporated on October 25, 1991 for a period of 15 years. The agreement was extended on February 14, 1995 for an additional 10 year period. The annual franchise fee for this franchise shall be \$100 or 5% of the annual gross subscription revenues (whichever is greater).

**Telephone**

On April 9, 1995, the Town adopted Ordinance Number 193 granting a non-exclusive telephone franchise to Sun Telephone Company, Inc. for a period of ten years, beginning, effective January 1, 1997, and ending on December 31, 2007. The franchise fee is 5% of the Company's gross receipts payable quarterly.

**TOWN OF LIFORNIA, LOUISIANA  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2001**

**Electric**

On October 1, 1972, the Town received a franchise to Gulf States Utilities Company to supply electric energy to the Town and the inhabitants thereof for a period of 40 years. In consideration, the Town shall receive a fee of 4.5% of the gross receipts from sales of electricity within the corporate limits of the Town from October 1, 1972 to September 30, 1982. Then from November 1, 1982 to September 30, 2012 a fee of 5%.

**NOTE 12 - INTERFUND TRANSFERS**

Transfers between funds for the year ended December 31, 2001 were as follows:

	Transfers	
	To	Out
General Fund to Special Fund		\$ 150,617
Sales Tax Fund to Public Utilities		213,064
Special Fund to Public Utilities		149,000
Special Fund from General Fund	\$ 250,627	
Public Utilities from Special Fund	145,000	
Public Utilities from Sales Tax Fund	213,064	
	<u>\$ 509,491</u>	<u>\$ 509,491</u>

**NOTE 13 - PENSION PLAN AND RETIREMENT COMMITMENTS**

**Social Security System -**

All employees of the Town, except policemen covered under the Municipal Police Employees Retirement System, are members of the Federal Social Security System, administered by the State of Louisiana. The total payroll for employees of the Town covered by the System for the year 2001 was \$177,249.

The total contribution to the System is 11.4% of taxable payroll of which the Town and employees contribute 6.2% each. For the year 2001, the Town contributed \$110,989 to the System.

**Medicare System -**

All employees of the Town, except policemen covered under the Municipal Police Employees Retirement System and clerical officials before 1996, are members of the Federal Medicare System. The total payroll for employees of the Town covered by the System for the year 2001 was \$174,119.

The total contribution to the system is 2.5% of taxable payroll of which the Town and employees contribute 1.42% each. For the year 2001, the Town contributed \$5,858 to the System.

**Municipal Police Employees Retirement System of Louisiana -**

**Plan Description:** all full-time police department employees engaged in law enforcement are required to participate in the System. Employees who enter at or after age 50 with at least 20 years of creditable service at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit payable monthly for life, equal to 5 to 10 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average.

**TOWN OF LIVONIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

Employees who terminate with at least the amount of vested service stated above, and do not withdraw their employee contributions, may retire at the age specified previously and receive the benefits accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 6901 United Plaza Boulevard, Baton Rouge, Louisiana 70809-1234, or by calling (504) 929-7411.

**Funding Policy:** Plan members are required by state statute to contribute 1.5% of their annual covered salary and the Town of Livonia is required to contribute at an annually-determined rate. The current rate is 0.08 of annual covered payroll. The contribution requirements of plan members and the Town of Livonia are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:183, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Livonia contributions to the System for the years ending December 31, 2001, 2000, and 1999, were \$9,015, \$4,493, and \$7,040, respectively, equal to the required contributions for each year.

**NOTE 14 - ON-BEHALF PAYMENTS**

The Town's police chief and five police officers received \$15,680 in police supplemental pay from the State of Louisiana, Department of Public Safety and Corrections. The Town recognizes this supplemental pay received by the employees as revenues and expenditures of the Town. The revenues are reported in the General Fund and the expenditures are included in Police Department expenditures.

**NOTE 15 - CONTINGENT LIABILITIES**

There is no pending litigation against the Town.

**NOTE 16 - ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Accordingly, actual results could differ from these estimates.

**NOTE 17 - RISK MANAGEMENT**

The Town is exposed to various risks of loss relating to loss, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Town attempts to minimize risk from significant losses through the purchase of commercial insurance.

**TOWN OF LIVONIA, LOUISIANA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2001**

**NOTE 18 - COMPENSATION PAID TO BOARD MEMBERS**

In compliance with House Concurrent Resolution No. 54 of the 1999 Session of the Louisiana Legislature, compensation paid to the outgoing mayor and board members is as follows:

Mayor	• Warren Fontenot	\$	8,400
Council Members	• Ronald J. Harlow		3,700
	• James Hargeton, Jr.		3,715
	• Kevin W. Bergeron		3,715
	• Tony Choute		3,715
	• Ken Jarman		3,700
		<b>\$</b>	<b>26,935</b>

**NOTE 19 - FEDERAL FINANCIAL ASSISTANCE**

The Town received no federal financial assistance for the year 2001.

**NOTE 20 - GASB 33 AND GASB 34 IMPLEMENTATION**

GASB issued Statement Number 33, "Accounting and Financial Reporting for Non-exchange Transactions", in December of 1998. The provisions for the pronouncement are effective for financial statements for periods beginning after June 15, 2000. The effects on the Town's financial statements are not known at this time; however, the pronouncement will be implemented for the fiscal year ending December 31, 2002.

GASB issued Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", in June of 1999. The date of implementation is effective in three phases based on a government's total annual revenues in the first fiscal year ending after June 15, 1999 (qualifier application is encouraged). The Town of Livonia's total annual revenues were less than \$10 million in the fiscal year ending June 30, 1999 (therefore, the Town of Livonia is (Phase 2) required to implement the provisions for the pronouncement for financial statements for the period beginning after June 15, 2003. GASB Statement Number 34 establishes a new governmental financial reporting model that will feature, among other significant changes, comprehensive discussion and analysis, a complete combination of fund-based and government-wide financial statements, required supplementary information, accounting for infrastructure assets, and accounting for the depreciation of infrastructure assets. The effects on the Town's financial statements are not known at this time; however, the pronouncement will be implemented for the fiscal year ending December 31, 2004, if not implemented earlier.



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## SUPPLEMENTAL INFORMATION

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**SCHEDULE 1  
TOWN OF LIVINGSTON, LOUISIANA  
GENERAL FUND**

**SCHEDULE OF REVENUES - BUDGET AND ACTUAL (GAAP BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2001  
(With Comparative Actual for December 31, 2000)**

	2001		Variance Favorable (Unfavorable)	2000	
	Budget	Actual		Budget	Actual
<b>Taxes:</b>					
General property	\$ 25,000	\$ 24,726	\$ (274)	\$ 25,657	\$ 25,657
Motoric franchise	55,000	57,529	(1,521)	55,894	55,894
Cable TV franchise	2,500	2,999	(491)	2,479	2,479
Telephone franchise	3,872	3,844	28	3,872	3,872
<b>Total Taxes</b>	<b>\$ 86,372</b>	<b>\$ 89,098</b>	<b>\$ (2,725)</b>	<b>\$ 87,922</b>	<b>\$ 87,922</b>
<b>Licenses and Permits:</b>					
Corporation - local business	\$ 26,000	\$ 27,465	\$ 1,465	\$ 27,115	\$ 27,115
Corporation - insurance	18,500	18,180	(320)	19,755	19,755
Boat and other permits	2,400	2,480		2,400	2,400
<b>Total Licenses and Permits</b>	<b>\$ 46,900</b>	<b>\$ 48,125</b>	<b>\$ 1,225</b>	<b>\$ 49,270</b>	<b>\$ 49,270</b>
<b>Intergovernmental Revenues:</b>					
In - Tribunal fees				\$ 3,432	\$ 3,432
In - State taxes	3,745	3,685	(60)	3,845	3,845
In - Video police				70,500	70,500
In - Law Enforcement	3,230	3,284	(54)	3,200	3,200
In - Public Safety - police supplemental	15,000	15,000		14,400	14,400
Police Computer Police Jury					61,800
<b>Total Intergovernmental Revenues</b>	<b>\$ 21,975</b>	<b>\$ 21,969</b>	<b>\$ (6)</b>	<b>\$ 151,977</b>	<b>\$ 151,977</b>
<b>Fees and Professions:</b>					
Traffic fees	\$ 303,825	\$ 310,871	\$ 7,046	\$ 80,519	\$ 80,519
<b>Miscellaneous Revenues:</b>					
Interest earned	\$ 13,280	\$ 13,125	\$ (155)	\$ 24,862	\$ 24,862
In - Department of Transportation	5,545	5,545		5,545	5,545
Sale of fixed assets	17,855	15,540	(2,315)	1,235	1,235
Mowing and backhoe rental	250	5,780	5,530	75	75
Other	780	825	45	2,447	2,447
<b>Total Miscellaneous Revenues</b>	<b>\$ 31,965</b>	<b>\$ 34,675</b>	<b>\$ 2,710</b>	<b>\$ 31,664</b>	<b>\$ 31,664</b>

**SCHEDULE 2**  
**TOWN OF LIVINGSTON, LOUISIANA**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (GAAP BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2001**  
*(With Comparative Actual for December 31, 2000)*

	2001		Variance	2000
	Budget	Actual	Favorable (Unfavorable)	Actual
<b>General Government:</b>				
Mayor's pay - clerk	\$ 8,400	\$ 8,400		\$ 8,400
Council members pay - clerk	18,575	18,575		18,580
Salary - clerk	15,080	15,080		15,034
Benefits	5,849	5,128	(721)	3,185
Legal	4,500	5,978	882	
Assessment fee	771	770		770
Audit fee	1,475	1,475		1,475
Professional fees	500	1,070	(570)	500
Conventions, conferences, seminars	570	1,278	(257)	1,649
Electricity expense		1,340	(1,341)	
Utilities	5,311	5,303	108	3,730
Insurance	5,890	5,994	2	4,878
Telephone	1,770	1,778	280	1,794
Publishing and recording	4,881	4,250	(731)	1,271
Mayor's expense account	1,000	1,000		1,000
Travel	225	187	28	523
Items and subscriptions	850	587	275	1,100
Tuition and promotion	3,800	2,678	100	283
Recruitment program	10,500	10,568	131	3,277
Maintenance of building	2,800	2,907	95	685
Janitorial and other supplies	5,500	5,358	63	2,523
Equipment maintenance	877	928	51	593
Office expense and postage	2,235	1,950	270	1,780
Animal ordinance expense	1,000	1,000	15	627
Boardman's expenses	1,000	588	31	1,000
Total General Government	\$ 95,516	\$ 98,429	\$ (2,955)	\$ 70,180
<b>Public Safety - Police:</b>				
Salary - Chief of Police	\$ 29,450	\$ 29,450		\$ 29,220
Salary - police officers	80,800	89,715	85	50,531
Salary - part-time	14,570	14,512	58	4,950
State supplemental pay	15,000	15,698		14,080
Benefits	34,688	36,314	978	21,871
Purchased professional services	2,267	2,384	5	580
Insurance	12,187	12,187		7,923
Telephone and paging system	4,412	4,468	4	1,907
Vehicle - gas and oil	9,800	8,777	225	6,844
Vehicle - repairs	10,700	8,758	5,946	30,960
Supplies and maintenance	11,900	10,389	1,804	2,910
Repairs - radios and equipment	4,418	2,562	3,888	7,814
Other services and charges	1,216	1,204		585
Total Public Safety - Police	\$ 241,313	\$ 252,597	\$ (7,745)	\$ 150,510

	2000		Variance Favorable (Unfavorable)	2000
	Budget	Actual		Actual
<b>Personnel and Drainsage</b>				
Salary - Fireman	\$ 7,676	\$ 7,478		\$ 4,608
Salary - Administ.	37,091	15,958		6,191
Benefits	4,568	4,495	89	2,584
Street Lighting	33,485	15,119	586	31,711
Sanitation	1,936	2,602	66	2,189
Satellite track system	9,210	9,218	89	9,212
Concrete and asphalt	8,800	7,922	78	2,191
Demolish and remove	7,872	8,352	(480)	997
Road and street signs	7,800	8,271	229	2,820
Speed bumps	100	87	13	3,499
Vehicle - gas and oil	1,950	1,686	264	1,899
Vehicle - repair	2,900	2,253	247	686
Equipment maintenance	9,958	9,098	910	4,867
Small tools and supplies	2,900	2,151	369	812
Chemicals - weed control	5,166	5,148		1,491
Waste dumpster and recycling	5,900	2,626	474	
Other services and charges	1,800	798	262	1,891
<b>Total Personel and Drainsage</b>	<b>\$ 209,128</b>	<b>\$ 97,787</b>	<b>\$ 2,951</b>	<b>\$ 56,865</b>
<b>Capital Outlay</b>				
General government	\$ 887	\$ 887		
Public safety - police	56,016	56,837	\$ (821)	\$ 2,118
Street and drainage	9,688	9,997	3	2,978
<b>Total Capital Outlay</b>	<b>\$ 67,191</b>	<b>\$ 67,881</b>	<b>\$ (219)</b>	<b>\$ 5,695</b>

**SCHEDULE 3**  
**TOWN OF LYNDRIA, LOUISIANA**  
**SCHEDULE OF EXPENSES - BUDGET AND ACTUAL (GAAP BASIS)**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**  
**FOR THE YEAR ENDED (DECEMBER 31, 2001)**  
**(With Comparative Total for December 31, 2000)**

	2001			2000
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
<b>Operating Expenses:</b>				
<b>Natural Gas Expenses -</b>				
Safety and colorization	\$ 375	\$ 575		\$ 268
Cathodic protection survey	275		275	275
Leakage survey	275		275	275
Drug testing policy fees	525	475	50	496
Operations manual				1,608
Continuing education	750	750		999
Motor accident	3,810	3,131	(511)	
Insurance	3,898	3,978	120	3,620
Natural gas purchases	150,800	124,121	25,879	85,213
Maintenance of meters	1,800	882	188	2,654
Maintenance of lines	9,800	7,949	(1,649)	4,800
Supplies and small tools	1,740	1,585	155	1,808
Depreciation	2,425	2,818	402	2,113
Total Natural Gas Expenses	\$ 168,768	\$ 143,802	\$ 24,862	\$ 100,150
<b>Water Expenses -</b>				
Continuing education	\$ 275	\$ 275		\$ 307
Current work in pumping	25,000	11,898	1,302	10,856
Insurance	1,447	1,585	68	1,412
Maintenance of pumping equipment				794
Maintenance of lines and meters	30,816	9,580	1,536	8,554
Maintenance of water tower	35,292	16,292		17,149
Maintenance of generator & related	6	6		1,321
Supplies and small tools	1,250	1,266	44	928
Electricity	2,650	2,444	206	2,340
Parapage fees	368	362	(2)	287
Depreciation	9,180	13,106	(4,896)	11,582
Total Water Expenses	\$ 95,199	\$ 56,916	\$ (1,316)	\$ 46,480

	2001		2000	
	Budget	Actual	Variance Favorable (Unfavorable)	Actual
<b>General and Administrative -</b>				
Salary - superintendents	\$ 38,120	\$ 37,098	\$ 1,022	\$ 34,930
Salary - maintenance	13,680	12,980	700	20,712
Salary - clerk	10,655	10,655		8,430
Salary - office personnel	19,755	19,750		16,188
Benefits	13,035	12,889	(1,054)	8,880
Professional fees - legal	2,080	2,151	68	
Professional fees - audit	1,475	1,475		1,475
Professional fees - accounting	580	1,073	(1,742)	
Utilities expense	680	556	124	473
Utilities	1,121	996	125	1,098
Insurance	5,541	3,683	1,858	3,730
Telephone	2,175	2,189	(14)	1,286
Faxing system	555	558	(3)	514
Publishing and various	588	588		286
Taxes and subscriptions	750	783	(33)	818
Maintenance of buildings	800	694	106	819
Janitorial and other supplies	750	654	96	567
Vehicle - gas and oil	1,725	1,879	(154)	1,889
Maintenance of trucks	800	728	72	730
Maintenance of equipment	3,071	2,883	179	406
Maintenance of office equipment	1,532	1,194	338	885
Office supplies and stationery	1,400	1,559	(159)	1,207
Postage	2,650	2,682	(32)	2,866
Miscellaneous	50	188	(138)	319
Depreciation	11,800	10,683	1,117	11,879
<b>Total General and Administrative</b>	<b>\$ 124,538</b>	<b>\$ 118,611</b>	<b>\$ 5,927</b>	<b>\$ 180,899</b>



**SCHEDULE 4**  
**TOWN OF IOWA, LOUISIANA**  
**GENERAL FUND REVENUE, EXPENDITURES, AND TRANSFERS**  
**LAST TEN YEARS**  
**(CONTINUED)**

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Revenue and Transfers</b>											
Taxes	45,118	46,747	43,489	46,547	54,137	60,439	61,105	61,096	60,914	60,914	60,888
Intergovernmental grants	24,711	34,897	40,811	33,409	39,919	43,882	43,811	46,489	46,308	46,308	46,416
Intergovernmental capital	60,068	12,897	41,713	65,579	87,049	95,899	126,166	126,467	151,867	151,867	204,212
Rent and business	107,383	89,126	79,694	89,669	118,491	122,882	125,770	127,031	96,319	96,319	109,871
Miscellaneous revenue	1,514	5,023	4,064	36,476	10,862	11,814	14,445	21,031	34,644	34,644	34,619
Transfers from other funds	27,000	50,488	50,000	86,488	87,000	11,888	15,000	61,788	11,000	11,000	—
<b>Total Revenue and Transfers</b>	<b>469,713</b>	<b>269,158</b>	<b>317,614</b>	<b>373,502</b>	<b>397,579</b>	<b>443,930</b>	<b>397,574</b>	<b>405,956</b>	<b>383,134</b>	<b>383,134</b>	<b>473,296</b>
<b>Expenditures and Transfers</b>											
General government	46,094	50,559	39,471	26,409	29,299	24,897	52,113	76,333	76,188	76,188	96,446
Public department	126,716	127,294	111,411	123,108	134,879	142,108	154,100	127,149	133,118	133,118	132,997
Public works	60,044	55,144	76,488	61,500	75,064	63,639	66,168	148,668	94,041	94,041	97,567
Capital outlay	16,711	42,879	11,999	1,077	29,679	21,388	47,000	26,141	1,000	1,000	47,891
Transfers to other funds	—	—	—	—	—	—	—	—	26,648	26,648	100,817
<b>Total Expenditures and Transfers</b>	<b>249,571</b>	<b>276,876</b>	<b>267,961</b>	<b>291,098</b>	<b>377,927</b>	<b>273,032</b>	<b>299,779</b>	<b>469,311</b>	<b>333,142</b>	<b>333,142</b>	<b>565,231</b>
<b>Revenue Excess and Transfers</b>	<b>220,142</b>	<b>1</b>	<b>50,653</b>	<b>82,404</b>	<b>21,652</b>	<b>170,898</b>	<b>97,795</b>	<b>136,645</b>	<b>50,000</b>	<b>50,000</b>	<b>108,065</b>

**SCHEDULE 5  
TOWN OF LYNCH, LOUISIANA  
TAXABLE PROPERTY VALUATIONS  
(UNADJUSTED)**

<b>Year</b>	<b>Real Estate</b>	<b>Mobiles</b>	<b>Public Service</b>	<b>Totals</b>
1984	\$ 1,286,825	\$ 201,985	\$ 497,295	\$ 2,586,105
1985	1,721,949	215,590	553,589	2,491,128
1986	1,750,715	215,765	436,075	2,399,555
1987	1,763,369	255,285	453,907	2,472,561
1988	1,697,618	208,715	466,460	2,372,809
1989	1,696,948	198,790	482,766	2,378,504
1990	1,721,768	204,695	413,731	2,340,194
1991	1,756,655	215,284	413,588	2,385,527
1992	1,789,825	251,125	397,306	2,438,256
1993	1,898,899	349,878	416,819	2,665,596
1994	1,980,408	439,830	489,232	2,909,470
1995	1,927,135	381,267	397,212	2,705,714
1996	2,214,135	418,615	876,818	3,509,568
1997	2,494,908	478,625	101,825	3,075,358
1998	2,569,158	928,588	451,816	3,949,562
1999	2,689,718	939,328	949,515	4,578,561
2000	3,191,208	1,018,838	909,566	5,119,612
2001	3,195,808	1,013,841	913,692	5,123,341

**SCHEDULE 6  
TOWN OF LIVORA, LOUISIANA  
PUBLIC UTILITY SYSTEM  
SUMMARY OF OPERATIONS**

	<b>Gas System</b>		<b>Water System</b>	
	<b>2000</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
<b>Sales</b>	<b>\$ 198,811</b>	<b>\$ 149,531</b>	<b>\$ 158,580</b>	<b>\$ 85,267</b>
<b>MCF Gas Sold</b>	<b>17,588</b>	<b>18,915</b>		
<b>Total number of customers billed</b>	<b>4,693</b>	<b>4,786</b>	<b>8,743</b>	<b>8,814</b>
<b>Avg number of customers billed per mo.</b>	<b>594</b>	<b>593</b>	<b>743</b>	<b>738</b>
<b>Average annual revenue per customer</b>	<b>\$ 42.36</b>	<b>\$ 31.20</b>	<b>\$ 18.25</b>	<b>\$ 10.42</b>
<b>Average monthly revenue per customer</b>	<b>\$ 40.17</b>	<b>\$ 31.76</b>	<b>\$ 15.31</b>	<b>\$ 10.55</b>
<b>Average MCF gas billed per customer</b>	<b>5.71</b>	<b>4.83</b>	<b>-</b>	<b>-</b>
<b>Average revenue per MCF of gas billed</b>	<b>\$ 30.85</b>	<b>\$ 7.81</b>	<b>-</b>	<b>-</b>
<b>Number of customers at beginning of year</b>	<b>565</b>	<b>580</b>	<b>743</b>	<b>718</b>
<b>Number of customers at end of year</b>	<b>563</b>	<b>586</b>	<b>747</b>	<b>743</b>

	<b>2001</b>		<b>2000</b>	
	<b>Average</b>	<b>MCF</b>	<b>Average</b>	<b>MCF</b>
<b>Gas Sales</b>	<b>\$ 198,811</b>	<b>17,588</b>	<b>\$ 149,531</b>	<b>18,915</b>
<b>Gas Purchases</b>	<b>124,121</b>	<b>17,589</b>	<b>85,233</b>	<b>20,344</b>
<b>Gross Profit on Sales</b>	<b>\$ 64,690</b>		<b>\$ 64,321</b>	
<b>MCF Gas Unaccounted For - Sales (Purchases)</b>		<b>(1.71)</b>		<b>(1.21)</b>
<b>Percent Unaccounted For - Gas Sales (Loss)</b>		<b>-0.9715%</b>		<b>-6.1118%</b>

# *George F. Deloane*

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Donald Scullian  
and Members of the Town Council  
Town of Livonia, Louisiana

I have audited the general purpose financial statements of the TOWN OF LIVONIA, LOUISIANA, as of and for the year ended December 31, 2001, and have issued my report thereon dated June 21, 2002. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the Town of Livonia, Louisiana's general purpose financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### **Internal Control Over Financial Reporting**

In planning and performing my audit, I considered the Town of Livonia, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to

the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended solely for the information and use of the mayor, certain other elected officials of the Town of Livonia, and the Legislative Auditor for the State of Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*George F. Delane, CPA*

June 21, 2002

TOWN OF LIVONIA, LOUISIANA  
SCHEDULE OF FINDINGS  
YEAR ENDED DECEMBER 31, 2001

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Town of Livonia, Louisiana.
2. No reportable conditions were disclosed during the audit of the general purpose financial statements.
3. No instances of noncompliance were disclosed during the audit of the general purpose financial statements.
4. The Town of Livonia, Louisiana received no federal financial assistance during the year.

B. FINDING — FINANCIAL STATEMENTS AUDIT

None